# MFMA SECTION 71 REPORT

# MONTH ENDING 31 DECEMBER 2018

**Executive Mayor**
**Municipal Manager**

**Revenue analysis for the month ending 31 December 2018**

| Revenue types | | 31 December 2018 | | | | | Six Months Ending 31 December 2018 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Annual Budget 2018/2019 | Budget | Billing per GS 560 | Billing vs Budget | (BS-566) Actual Income | Income vs Billing | Budget | Billing per GS 560 | Billing vs Budget | (BM-310) Actual Income | Income vs Billing |
| Property rates | 70 608 063 | 5 404 595 | 5 025 040 | 93% | 7 343 832 | 146% | 38 180 496 | 33 861 752 | 89% | 24 243 337 | 72% |
| Electricity - conventional | 201 687 958 | 16 807 330 | 13 467 326 | 80% | 9 636 214 | 72% | 100 843 980 | 86 976 790 | 86% | 70 449 327 | 81% |
| Water | 120 885 000 | 10 073 750 | 6 648 439 | 66% | 2 681 434 | 40% | 60 442 500 | 52 495 070 | 87% | 19 279 890 | 37% |
| Sanitation | 41 922 000 | 3 493 500 | 3 634 510 | 104% | 1 509 456 | 42% | 20 961 000 | 21 337 233 | 102% | 11 826 197 | 55% |
| Refuse | 35 315 000 | 2 942 917 | 2 616 821 | 89% | 1 079 646 | 41% | 17 657 502 | 15 108 942 | 86% | 8 864 244 | 59% |
| **Total Direct Services** | **470 418 021** | **38 722 091** | **31 392 137** | **81%** | **22 250 583** | **71%** | **238 085 478** | **209 779 787** | **88%** | **134 662 995** | **64%** |
| Other revenue | 46 740 937 | 3 824 750 | 359 320 | 9% | 269 509 | 75% | 22 948 500 | 12 102 006 | 53% | 10 716 742 | 89% |
| **Revenue from Billed services** | **517 158 958** | **42 546 841** | **31 751 456** | **75%** | **22 520 091** | **71%** | **261 033 978** | **221 881 793** | **85%** | **145 379 737** | **66%** |
| *Electricity - prepaid* | *102 104 042* | *8 508 670* | *8 611 342* | 101% | *8 611 342* | 100% | *51 052 020* | *51 315 448* | **101%** | *51 235 661* | 100% |
| **Revenue before operational grants** | **619 263 000** | **51 055 511** | **40 362 799** | **79%** | **31 131 433** | **77%** | **312 085 998** | **273 197 241** | **88%** | **196 615 398** | **72%** |
| Operational grants and subsidies | 2 758 000 | - | - | | - | | 2 758 000 | 2 758 000 | 100% | 2 758 000 | 100% |
| Equitable share | 185 144 000 | 61 715 000 | 61 715 000 | 100% | 61 715 000 | 100% | 138 858 000 | 138 858 000 | 100% | 138 858 000 | 100% |
| **Total Revenue** | **807 165 000** | **112 770 511** | **102 077 799** | - | **92 846 433** | **91%** | **453 701 998** | **414 813 241** | **91%** | **338 231 398** | **82%** |

**Comments on Section 71 Report.**

Collection rate for the month for waste water management and waste management 42% & 41% respectively.

Collection rate for the month for water is 91% & 82% for the six months.

The collection rate on Property rates is 146% for the month & 72% for the six months.

Vat is not considered as part of income in this report since it will be paid over to SARS.

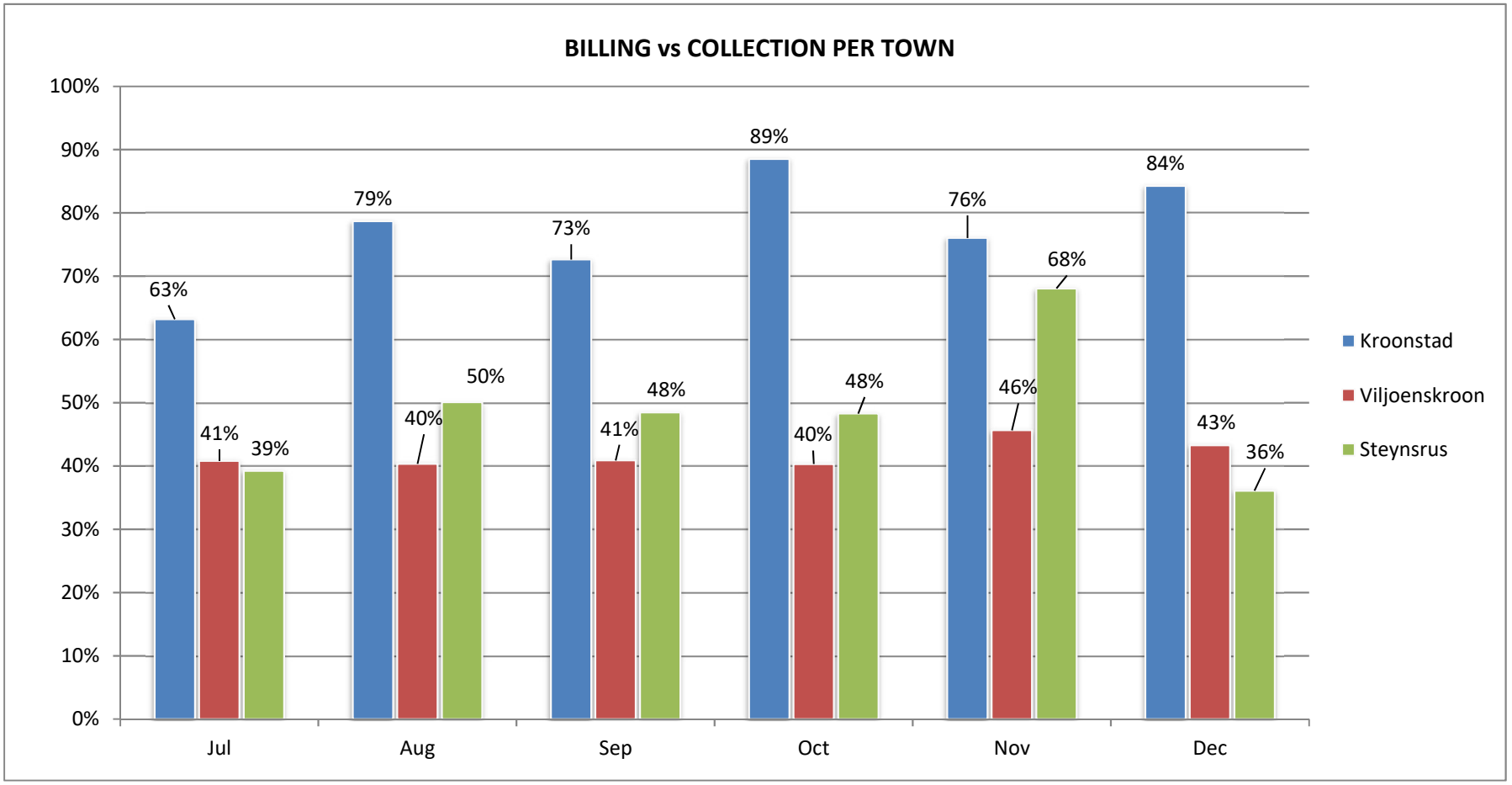
Conventional electricity revenue for September 2018 is 72% and 81% for the six months.

Total direct services collection rate against billing is 71% for the month and 64% for the six months.

Indigents Contribution for Prepaid is 542 000 units x tariff 0.9127 = R494 683 + R76 020 (FBE in ESKOM Supplied Areas) = R570 703.

## BILLING & REVENUE PER TOWN 01/07/2018 - 30/06/2019 (Excluding Pre-paid Electricity)

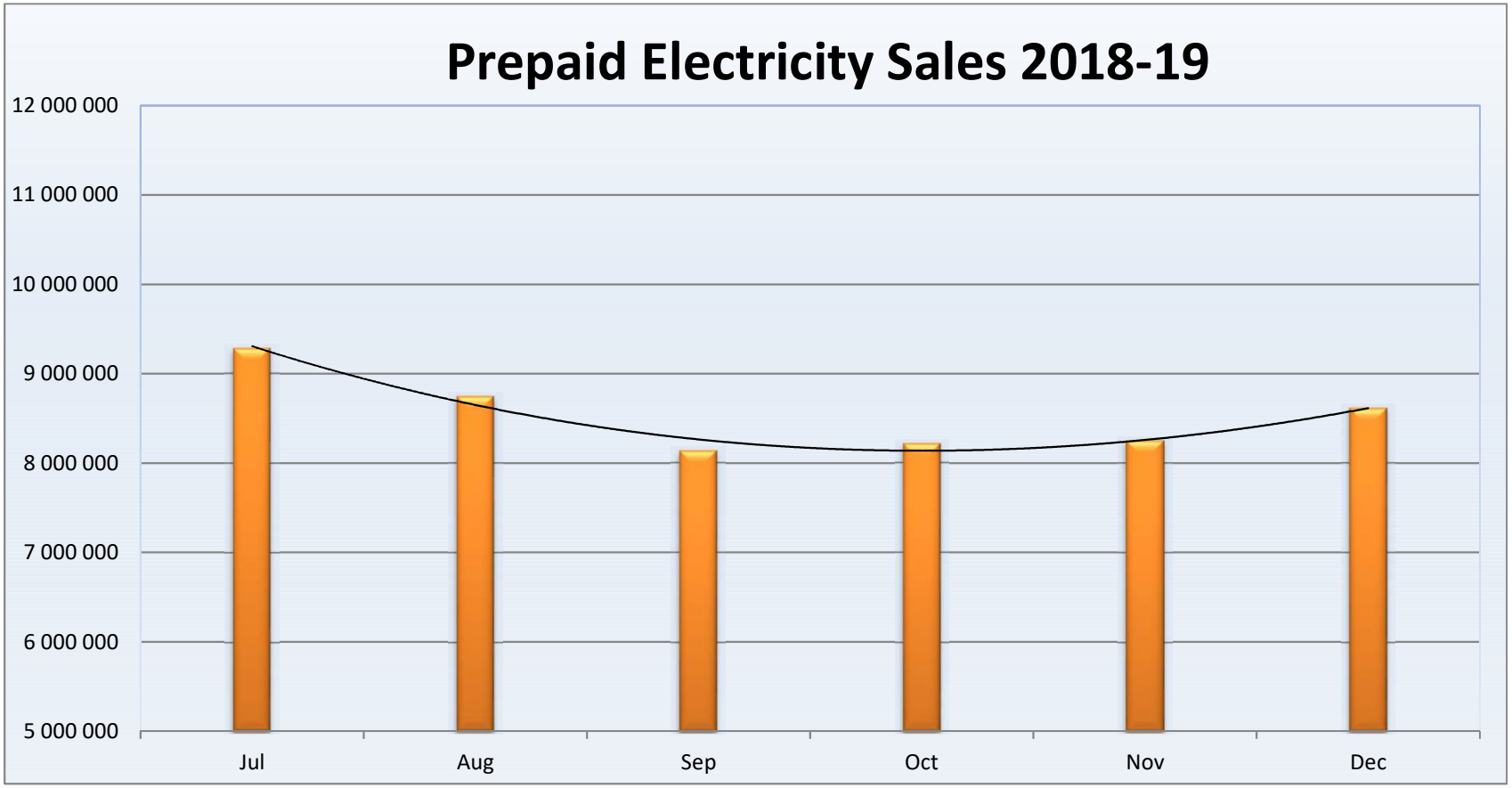
| Month | Kroonstad | | | Viljoenskroon | | | Steynsrus | | |
|---|---|---|---|---|---|---|---|---|---|
| | Billing (BP135) | Receipts (BP135) | Percentage | Billing (BP135) | Receipts (BP135) | Percentage | Billing (BP135) | Receipts (BP135) | Percentage |
| Jul | 34 971 615 | 22 100 654 | 63% | 9 812 256 | 4 006 036 | 41% | 1 018 293 | 399 529 | 39% |
| Aug | 31 046 780 | 24 433 317 | 79% | 9 011 852 | 3 633 906 | 40% | 822 932 | 412 286 | 50% |
| Sep | 34 189 905 | 24 835 390 | 73% | 9 795 201 | 4 003 578 | 41% | 952 021 | 461 521 | 48% |
| Oct | 29 357 194 | 25 992 800 | 89% | 9 755 489 | 3 932 322 | 40% | 989 115 | 477 645 | 48% |
| Nov | 30 986 235 | 23 563 361 | 76% | 7 920 120 | 3 614 667 | 46% | 833 325 | 567 165 | 68% |
| Dec | 28 221 259 | 23 781 721 | 84% | 6 931 226 | 2 999 412 | 43% | 885 881 | 319 775 | 36% |
| **Total** | **188 772 987** | **144 707 242** | **77%** | **53 226 144** | **22 189 922** | **42%** | **5 501 566** | **2 637 920** | **48%** |



**PRE-PAID ELECTRICITY SALES**

| Month | Transactions | Units | Unit Value | Free Units | Avg Val/trans | Total | % Movement |
|---|---|---|---|---|---|---|---|
| Jul | 127 836 | 7 130 818 | 9 283 058 | 532 400 | 83.51 | 9 283 058 | 9% |
| Aug | 121 870 | 6 747 241 | 8 743 915 | 538 200 | 82.51 | 8 743 915 | -6% |
| Sep | 111 777 | 6 313 432 | 8 133 896 | 542 550 | 83.69 | 8 133 896 | -7% |
| Oct | 112 082 | 6 325 693 | 8 213 682 | 544 700 | 84.28 | 8 213 682 | 1% |
| Nov | 109 146 | 6 337 148 | 8 249 768 | 542 550 | 86.92 | 8 249 768 | 0% |
| Dec | 102 535 | 6 609 921 | 8 611 342 | 542 000 | 96.58 | 8 611 342 | 4% |
| | | | | | | **51 235 661** | |

The average collection rate for Kroonstad/Maokeng for December 2018 is 84% ,Viljoenskroon/Rammulutsi is 43% & Steynsrus/Matlwangtlwang is 36%.
Kroonstad/Maokeng generated a revenue of R24m for December 2018 ,Viljoenskroon/Rammolutsi's R3m & Steynsrus/Matlwangtlwang generated R319 775.
The revenue generated through prepaid electricity for the month is R8.6m. This signifies a growth of 4% as compared to the previous month.



**Analysis of Debtors as at 31 December 2018**

| Detail | 0 - 30 Days | 31 - 60 Days | 61 - 90 Days | 91 - 120 Days | Total |
|---|---|---|---|---|---|
| Debtors Age Analysis By Income | | | | | |
| Water | 11 133 828 | 8 157 931 | 6 664 403 | 311 841 169 | 337 797 331 |
| Electricity | 14 732 926 | 6 717 179 | 2 891 111 | 26 108 339 | 50 449 555 |
| Property Rates | 4 657 272 | 2 796 866 | 2 263 849 | 44 108 329 | 53 826 316 |
| Sewerage | 3 975 863 | 2 836 549 | 2 430 642 | 83 825 690 | 93 068 744 |
| Refuse Removal | 2 787 419 | 1 920 707 | 1 669 557 | 58 981 587 | 65 359 270 |
| Other | 1 898 521 | 1 570 953 | 452 512 | 36 396 061 | 40 318 047 |
| **Total By Income Source** | **39 185 829** | **24 000 185** | **16 372 074** | **561 261 175** | **640 819 263** |
| Debtors Age Analysis By Customer Group | | | | | |
| Government | 5 734 815 | 5 750 810 | 4 329 183 | 20 134 120 | 35 948 928 |
| Business | 14 183 707 | 3 297 340 | 1 456 658 | 17 840 886 | 36 778 591 |
| Households | 13 511 870 | 10 306 383 | 7 437 018 | 280 241 206 | 311 496 477 |
| Other | 5 755 437 | 4 645 652 | 3 149 215 | 243 044 963 | 256 595 267 |
| **Total By Customer Group** | **39 185 829** | **24 000 185** | **16 372 074** | **561 261 175** | **640 819 263** |

| | |
|---|---|
| **Total Debtors as at 30 November 2018** | **631 881 805** |
| **% Increase / (Decrease) in Debtors** | **1%** |

| **Highlights** | Oct | Nov | % Change | Dec | % Change | Reference |
|---|---|---|---|---|---|---|
| **Services** | | | | | | |
| Councillors' debt (>90 days) | R 228 619 | R 214 538 | -6% | R 221 816 | 3% | Annexure A |
| Officials debt (>90 days) | R 1 966 168 | R 2 291 092 | 17% | R 2 243 500 | -2% | Annexure B |
| **Sundry debtors** | | | | | | |
| Telephones (Officials & Councillors) | R 391 572 | R 394 546 | 1% | R 401 235 | 2% | |
| Study loans | R 118 128 | R 122 328 | 4% | R 123 157 | 1% | |
| ***Indigents*** | **R 189 304 365** | **R 199 144 766** | **5%** | **R 198 948 815** | 0% | |
| **Total Debt 90 Days +** | **R 543 609 514** | **R 552 505 603** | **2%** | **R 561 261 175** | 2% | |

**Creditors**

| Detail | 0 - 30 Days | 31 - 60 Days | 61 - 90 Days | 91 - 120 Days | 121 - 150 Days | 151 - 180 Days | 181 Days - 1 Year | Over 1 Year | Total - |
|---|---|---|---|---|---|---|---|---|---|
| Bulk Electricity | 18 501 739 | 19 937 799 | 61 100 121 | 51 471 281 | - | - | - | 148 422 719 | 299 433 659 |
| Loan repayments | 874 835 | 850 497 | 837 628 | - | - | - | - | - | 2 562 960 |
| Trade Creditors | 1 558 341 | 2 177 454 | 482 652 | 4 132 371 | - | - | - | | 8 350 818 |
| Auditor General | 2 508 374 | 2 517 469 | 924 530 | 453 980 | 23 006 | 1 577 969 | - | - | 8 005 328 |
| DWS | 34 412 | 34 412 | 341 741 | - | - | - | - | 7 275 953 | 7 686 517 |
| GOVERNMENT GARAGE | 583 854 | 342 390 | - | - | - | - | - | 7 415 660 | 8 341 904 |
| **Total** | **24 061 555** | **25 860 021** | **63 686 672** | **56 057 632** | **23 006** | **1 577 969** | **-** | **163 114 332** | **334 381 186** |

**OPERATING EXPENSES**

| DESCRIPTION | Annual Budget 2018/2019 | Actual 31-Dec-18 | YTD 31-Dec-18 | Variance | % Exp |
|---|---|---|---|---|---|
| EMPLOYEE RELATED COSTS | 267 548 781 | 46 084 681 | 155 866 151 | 111 682 630 | 58 |
| REMUNERATION OF COUNCILLORS | 18 192 324 | 1 578 451 | 9 460 158 | 8 732 166 | 52 |
| CONTRACTED SERVICES | 105 864 382 | 3 278 053 | 18 983 925 | 86 880 457 | 18 |
| INVENTORY | 10 697 075 | 1 193 569 | 2 722 456 | 7 974 619 | 25 |
| BULK PURCHASES | 251 236 583 | 22 057 792 | 61 140 974 | 190 095 609 | 24 |
| CONTRIBUTIONS TO BAD DEBTS | 10 132 804 | 844 400 | 5 066 402 | 5 066 402 | 50 |
| DEPRECIATION ON ASSETS | 32 881 133 | 2 740 094 | 16 440 567 | 16 440 567 | 50 |
| GENERAL EXPENSES | 94 070 924 | 3 478 228 | 19 063 657 | 75 007 267 | 20 |
| **TOTAL EXPENDITURE (NETT)** | **790 624 006** | **81 255 269** | **288 744 289** | **501 879 717** | **37** |

| DESCRIPTION | Annual Budget 2018/2019 | Actual 31-Dec-18 | YTD 31-Dec-18 | Variance | % Exp |
|---|---|---|---|---|---|
| **OUTSOURCE SERVICES** | | | | | |
| OS: BURIAL SERVICES | 252 480 | | 70 000 | 182 480 | 28 |
| OS: B&A HUMAN RESOURCES | 94 680 | | | 94 680 | |
| OS: B&A OCCUPATIONAL HEALTH & SAFETY | 207 200 | | 35 166 | 172 034 | 17 |
| OS: B&A ORGANISATIONAL | 5 619 | | | 5 619 | |
| OS: B&A PROJECT MANAGEMENT | 210 400 | | | 210 400 | |
| OS: B&A RESEARCH & ADVISORY | 1 689 500 | 81 431 | 629 870 | 1 059 630 | 37 |
| OS: B&A QUALIFICATION VERIFICATION | 31 560 | | | 31 560 | |
| OS: B&A VALUER | 215 870 | | 98 000 | 117 870 | 45 |
| OS: CATERING SERVICES | 7 332 344 | 119 000 | - 605 431 | 7 937 775 | -8 |
| OS: CLEANING SERVICES | 178 840 | 11 900 | 55 972 | 122 868 | 31 |
| OS: ELECTRICAL | 12 634 184 | - 90 562 | 1 547 903 | 11 086 281 | 12 |
| OS: MEDICAL SERVICES [HEALTH SERV & | 641 071 | | | 641 071 | |
| OS: PERSONNEL & LABOUR | 7 328 159 | 140 981 | 968 691 | 6 359 468 | 13 |
| OS: CONNECT/DIS-CONNECTION: ELECTICI | 282 609 | | | 282 609 | |
| OS: TRAFFIC FINES MANAGEMENT | 170 000 | | 21 836 | 148 165 | 13 |
| **OS: TRANSPORT SERVICES** | **16 743** | | | **16 743** | |
| **SUB TOTAL : OUTSOURCE SERVICES** | **31 291 259** | **262 750** | **2 822 006** | **28 469 253** | 9 |
| **CONSULTANTS AND PROFESSIONAL SERVICES** | | | | | |
| C&PS: B&A ACCOUNTANTS & AUDITORS | 157 800 | | | 157 800 | |
| C&PS: B&A AUDIT COMMITTEE | 250 000 | 9 613 | 128 619 | 121 381 | 51 |
| C&PS: B&A BUSINESS & FIN MANAGEMENT | 280 534 | | | 280 534 | |
| C&PS: B&A MEDICAL EXAMINATIONS | 663 057 | | 570 | 662 487 | 0 |
| C&PS: B&A OCCUPATIONAL HEALTH & SAFE | 5 620 | | | 5 620 | |
| C&PS: B&A PROJECT MANAGEMENT | 4 734 000 | | 271 552 | 4 462 448 | 6 |
| C&PS: LAB SERV WATER | 7 243 956 | 1 093 916 | 2 764 546 | 4 479 410 | 38 |
| C&PS: LEGAL COST ADVICE & LITIGATION | 4 378 487 | 5 876 | 712 316 | 3 666 171 | 16 |
| C&PS: LEGAL COST COLLECTION | 558 928 | 48 478 | 171 162 | 387 766 | 31 |
| **SUB TOTAL : CONSULTANT AND PROF SERV** | **18 272 382** | **1 157 883** | **4 048 765** | **14 223 617** | **22** |
| CONTRACTORS | | | | | |
| CONTR: ARTISTS & PERFORMERS | 327 524 | | | 327 524 | |
| CONTR: BUILDING CONTRACTORS | 49 903 | | | 49 903 | |
| CONTR: CATERING SERVICES | 62 470 | | | 62 470 | |
| CONTR: FIRE SERVICES | 80 499 | 9 128 | 9 128 | 71 371 | 11 |
| CONTR: GARDENING SERVICES | 759 400 | 1 501 | 31 212 | 728 188 | 4 |
| CONTR: INTERIOR DECORATOR | 15 780 | | | 15 780 | |
| CONTR: INSPECTION FEES | | | 315 612 | - 315 612 | |
| CONTR: MAINT OF BUILDINGS & FACILIT | 429 360 | 326 | 34 899 | 394 461 | 8 |
| CONTR: MAINTENANCE OF EQUIPMENT | 1 926 484 | 4 711 | 297 157 | 1 629 327 | 15 |
| CONTR: MAINTENANCE OF EQUIPMENT (FLE | 3 750 397 | 156 146 | 591 019 | 3 159 378 | 16 |

**OPERATING EXPENSES**

| DESCRIPTION | Annual Budget | Actual 31-Dec-18 | YTD 31-Dec-18 | Variance | % Exp |
|---|---|---|---|---|---|
| CONTR: MAINTENANCE OF UNSPECIFIED AS | 28 102 | | | 28 102 | |
| CONTR: MAINTENANCE FLEET | 10 911 079 | 778 888 | 3 470 057 | 7 441 022 | 32 |
| CONTR: PREPAID ELECTRICITY VENDORS | 5 260 000 | 773 673 | 1 702 811 | 3 557 189 | 32 |
| CONTR: SAFEGUARD & SECURITY | 29 322 103 | 109 805 | 5 280 346 | 24 041 758 | 18 |
| CONTR: TRAFFIC & STREET LIGHTS | 3 377 640 | 23 242 | 380 915 | 2 996 725 | 11 |
| **SUB TOTAL : CONTRACTORS** | **56 300 741** | **1 857 420** | **12 113 154** | **44 187 587** | **22** |
| **CONTRACTED SERVICES** | **105 864 382** | **3 278 053** | **18 983 925** | **86 880 457** | 18 |
| **OPERATIONAL COST** | | | | | |
| OC: ADV/PUB/MARK - CORP & MUN ACTIVI | 435 229 | | 69 565 | 365 664 | 16 |
| OC: ADV/PUB/MARK - STAFF RECRUITMENT | 8 996 | | 600 | 8 396 | 7 |
| OC: AUDIT COST: EXTERNAL | 6 311 357 | | 369 236 | 5 942 121 | 6 |
| OC: BC/FAC/C FEES - BANK ACCOUNTS | 2 282 840 | 203 985 | 1 267 588 | 1 015 252 | 56 |
| OC: COMMISSION - THIRD PARTY VENDORS | 5 536 242 | 476 100 | 2 705 404 | 2 830 838 | 49 |
| OC: COMM - POSTAGE/STAMPS/FRANKING M | 1 799 206 | 36 522 | 784 846 | 1 014 360 | 44 |
| OC: COMM - PHONE FAX TELEGRAPH & TEL | 1 250 256 | 317 495 | 747 989 | 502 267 | 60 |
| OC: DEEDS | 94 680 | | 63 343 | 31 337 | 67 |
| OC: DRIVERS LICENCES & PERMITS | 3 156 | | | 3 156 | |
| OC: EXT COM SERV PROV - GPS LICENCE | 4 478 339 | 43 016 | 1 407 933 | 3 070 406 | 31 |
| OC: EXT COM SERV PROV - SYSTEM ADVIS | 315 600 | 180 000 | 192 552 | 123 048 | 61 |
| OC: HIRE CHARGES | 32 475 151 | 490 808 | 3 414 416 | 29 060 735 | 11 |
| OC: INSUR UNDER - EXCESS PAYMENTS | 300 000 | 24 640 | 86 910 | 213 091 | 29 |
| OC: INSUR UNDER - PREMIUMS | 3 400 000 | 22 636 | 2 149 135 | 1 250 865 | 63 |
| OC: LEARNERSHIPS & INTERNSHIPS | 122 473 | | | 122 473 | |
| OC: LIC - VEHICLE LIC & REGISTRATION | 666 293 | 32 878 | 306 286 | 360 007 | 46 |
| OC: LIC - VEHICLE LIC & REGISTR FLEE | 7 543 | 1 878 | 4 061 | 3 483 | 54 |
| OC: PRINTING & PUBLICATIONS | 1 125 139 | 940 | 9 119 | 1 116 020 | 1 |
| OC: PROFESSIONAL BODIES M/SHIP & SUB | 3 103 345 | | - 1 207 102 | 4 310 447 | -39 |
| OC: REMUNERATION TO WARD COMMITTEES | 1 533 290 | 74 500 | 404 000 | 1 129 290 | 26 |
| OC: ROAD WORTHY TEST FLEET | 550 000 | | | 550 000 | |
| OC: SKILLS DEVELOPMENT FUND LEVY | 1 841 000 | 394 591 | 1 353 937 | 487 063 | 74 |
| OC: SERVITUDES & LAND SURVEYS | 21 040 | | | 21 040 | |
| OC: SIGNAGE | 257 253 | | 77 715 | 179 538 | 30 |
| OC: SMALL DIFFERENCES TOLERANCES | | | 0 | - 0 | |
| OC: TOLL GATE FEES | 1 578 | | | 1 578 | |
| OC: T&S DOM - ACCOMMODATION | 2 666 667 | 517 870 | 1 483 690 | 1 182 977 | 56 |
| OC: T&S - NON-EMPLOYEES | 53 001 | | 3 696 | 49 305 | 7 |
| OC: TRANSPORT - MUNICIPAL ACTIVITIES | 4 734 | | | 4 734 | |
| OC: UNIFORM & PROTECTIVE CLOTHING | 2 376 036 | 6 838 | 151 841 | 2 224 195 | 6 |
| OC: WET FUEL | 10 242 065 | 368 097 | 2 084 549 | 8 157 516 | 20 |
| OC: WORKMEN'S COMPENSATION FUND | 1 315 000 | | | 1 315 000 | |
| **SUB TOTAL : OPERATIONAL COST** | **84 577 509** | **3 192 793** | **17 931 306** | **66 646 203** | **21** |
| INTEREST DIVIDENDS AND RENT ON LAND | | | | | |
| INT PAID BOR: ANNUITY LOANS | 2 627 469 | | | 2 627 469 | |
| INT PAID: OVERDUE ACCOUNTS | 512 797 | 3 173 | 6 739 | 506 058 | **1** |
| SUB TOTAL - INTEREST DIVID & RENT - | 3 140 266 | 3 173 | 6 739 | 3 133 527 | 0 |
| OPERATING LEASES | | | | | |
| OPR LEASES: FURNITURE & OFFICE EQUIP | 1 361 625 | 2 006 | 69 680 | 1 291 945 | 5 |
| OPR LEASES: INFRA - TRANSPORTATION | 1 248 476 | 15 500 | 675 746 | 572 730 | 54 |
| OPR LEASES: MACHINERY & EQUIPMENT | | - 2 070 | - 3 660 | 3 660 | |
| OPR LEASES: TRANSPORT ASSETS | 3 743 048 | 266 826 | 383 846 | 3 359 202 | 10 |
| SUB TOTAL : OPERATING LEASES | 6 353 149 | 282 262 | 1 125 612 | 5 227 537 | 18 |
| **GENERAL RXPENSES** | **94 070 924** | **3 478 228** | **19 063 657** | **75 007 267** | **20** |

**CASH FLOW ANALYSIS FOR THE MONTH ENDING**

| **Detail** | **Dec-18** |
|---|---|
| **Cash Receipts by Source** | |
| Property rates | 7 150 826 |
| Service charges - electricity revenue | 17 132 119 |
| Service charges - water revenue | 2 468 875 |
| Service charges - sanitation revenue | 1 624 822 |
| Service charges - refuse revenue | 1 148 557 |
| Service charges - other | - |
| Interest earned - external investments | 49 829 |
| Interest earned - outstanding debtors | 97 015 |
| Fines | - |
| Transfer receipts - operational | 61 715 000 |
| Other revenue | 9 764 931 |
| **Cash Receipts by Source** | **101 151 974** |
| **Other Cash Flows/Receipts by Source** | |
| Transfer receipts - capital | 7 505 000 |
| Borrowing long term/refinancing | - |
| **Total Cash Receipts by Source** | **108 656 974** |
| **Cash Payments by Type** | |
| Employee related costs | 25 073 129 |
| Remuneration of councillors | 1 578 450 |
| Bulk purchases - Electricity | 22 057 792 |
| Contracted services | 3 278 053 |
| General expenses | 26 532 192 |
| **Cash Payments by Type** | **78 519 616** |
| **Other Cash Flows/Payments by Type** | |
| Capital assets | - |
| Repayment of borrowing | - |
| **Total Cash Payments by Type** | **78 519 616** |
| **Net Increase/(Decrease) in Cash Held** | **30 137 358** |
| **Cash/cash equivalents at the month/year begin:** | **9 223 340** |
| **Cash/cash equivalents at the month/year end:** | **39 360 698** |
| | |
| **Cash Book Balance (GL)** | **987 714** |

## Municipal Investments

***Regulation 9(1) of Government Gazette 27431 states:***

*That the accounting officer of a municipality or municipal entity must within 10 working days of the end of each month, as part of the Section 71 report required by the Act, submit to the mayor of the municipality or the board of directors of the municipal entity a report describing in accordance with the generally recognised accounting practice the investment portfolio of that municipality or municipal entity at the end of the month.*

**Bank Accounts:**

| Detail | Bank Acc num | Type of investment | Vote num |
|---|---|---|---|
| ABSA - 1 | 20-7531-4898 | Fixed Deposit | 34055053140ZZZZZZZWM |
| ABSA - 2 | 20-5824-7882 | Fixed Deposit | 34055053040ZZZZZZZWM |
| ABSA - 3 | 91-3190-1443 | Call Account | 34055053240ZZZZZZZWM |

| | 20-7531-4898 | 20-5824-7882 | 91-3190-1443 | |
|---|---|---|---|---|
| | **ABSA - 1** | **ABSA - 2** | **ABSA - 3** | **Total** |
| **Balance 01-Jul- 2018** | **4 121.40** | **80 236.40** | **40 411.89** | **124 769.69** |
| **Balance at 30-Nov-2018** | **4 246.25** | **86 157.98** | **3 289 783.87** | **3 380 188.10** |
| | - | - | 8 363 976.65 | 8 363 976.65 |
| Invested | - | - | 8 314 147.21 | 8 314 147.21 |
| Withdrawn | - | - | - | - |
| Interest earned | - | - | 49 829.44 | 49 829.44 |
| **Balance at 31-Dec-2018** | **4 246.25** | **86 157.98** | **11 653 760.52** | **11 744 164.75** |
| **INTEREST EARNED** | **124.85** | **5 921.58** | **465 527.79** | **471 574.22** |

**Investment in Shares:**

| DESCRIPTION | NUMBER OF SHARES | BALANCE 30/11/2018 | WITHDRAWALS / TRANSFERS | FAIR VALUE GAIN / (LOSS) | BALANCE 31/12/2018 |
|---|---|---|---|---|---|
| **Senwes** | 11 822 | 82 754 | - | R 35 466.00 | 118 220 |
| **Senwesbel** | 18 130 | 68 894 | - | R 21 756.00 | 90 650 |
| | | **151 648** | **-** | **57 222** | **208 870** |

## Report on conditional grants at

**31-Dec-18**

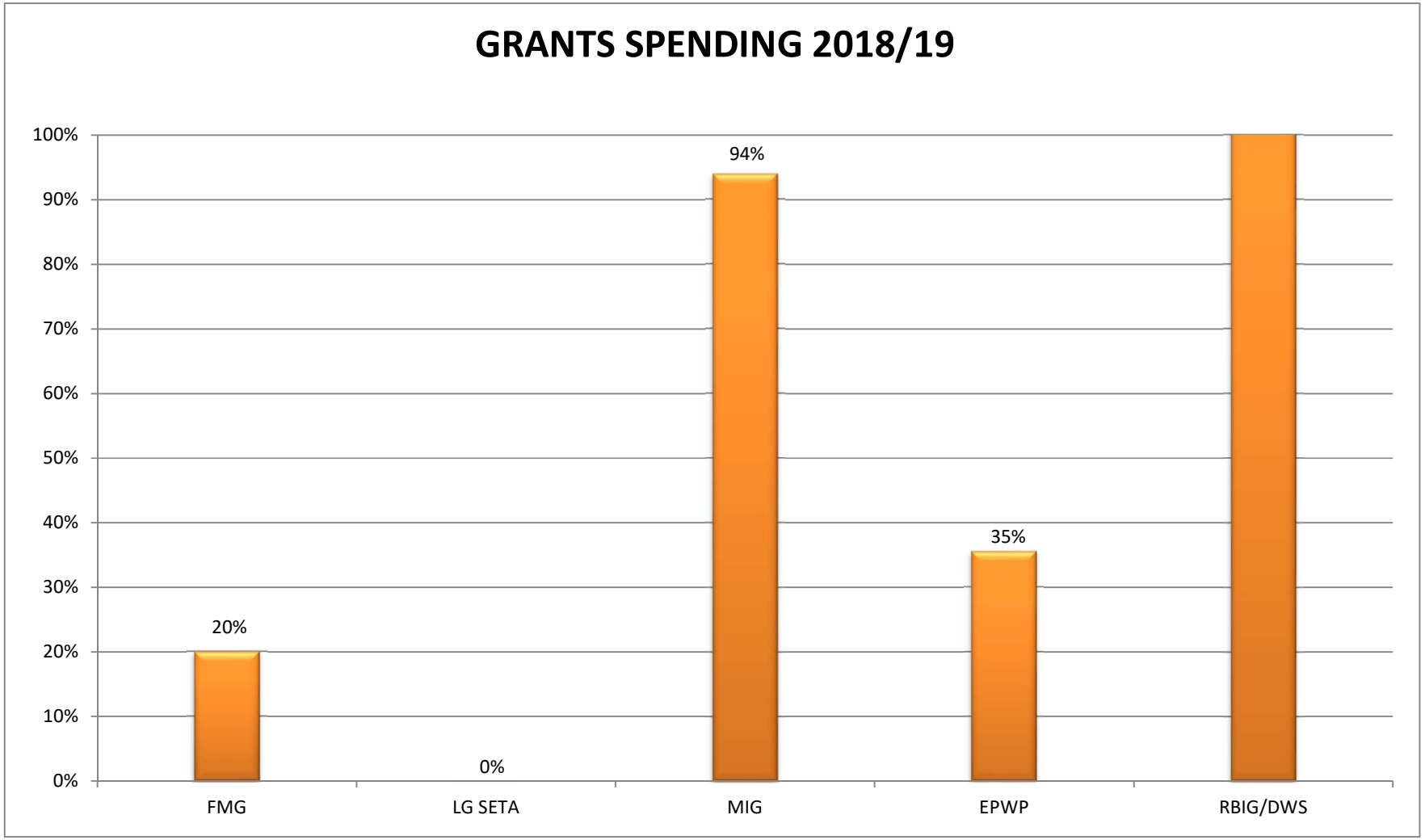
**Municipality:** **FS201 Moqhaka**

**Financial Accounting for Grant Funds Received and Expended**

| | OPERATIONAL GRANTS | | | CAPITAL GRANTS | | | |
|---|---|---|---|---|---|---|---|
| | Finance Management Grant (FMG) | LG SETA (Mandatory) | FS CoGTA Grant | Municipal Infrastructure Grant (MIG) | Extended Public Works Programme (EPWP) | Water Services Infrastructure Grant (WISG) | Total Capital Grants |
| **DORA Allocation for the 2018/19** | **2 215 000** | **543 000** | **-** | **39 410 000** | **1 000 000** | **10 000 000** | **50 410 000** |
| **Unspent grants at beginning of the financial year** | **-** | **479 269** | **1 112 239** | **-** | **-** | **-** | **-** |
| Received Prior Months | 2 215 000 | 214 969 | | 20 326 000 | 250 000 | 4 000 000 | **24 576 000** |
| Received This Month | - | 37 602 | | 7 505 000 | - | 3 000 000 | **10 505 000** |
| **Total Funds Received** | **2 215 000** | **731 840** | **1 112 239** | **27 831 000** | **250 000** | **7 000 000** | **35 081 000** |
| Spent Prior Months | 281 121 | - | - | 23 573 039 | 243 910 | 5 677 734 | **29 494 683** |
| Spent This Month | 160 667 | | - | 2 570 361 | 111 000 | 2 389 742 | **5 071 103** |
| Total Funds Spent | 441 788 | - | - | 26 143 400 | 354 910 | 8 067 476 | **34 565 786** |
| **Total funds Received and Not Spent** | **1 773 212** | **731 840** | **1 112 239** | **1 687 600** | **-104 910** | **-1 067 476** | **515 214** |
| Percentage of Funds Spent | 20% | 0% | 0% | 94% | 35% | 115% | 99% |
| Funds Currently Committed but Not Spent | - | - | - | - | - | - | **-** |
| Scheduled Transfers Withheld | - | - | - | - | - | - | **-** |

## Capital Government grants and subsidies consist of the following:

| | |
|---|---|
| Municipal Infrastructure Grant | 39 410 000 |
| Water Services Infrastructure Grant | 10 000 000 |
| EPWP (Incentive) | 1 000 000 |
| **Total** | **50 410 000** |


GRANTS SPENDING 2018/19
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
20%
0%
94%
35%
FMG
LG SETA
MIG
EPWP
RBIG/DWS

## 31 December 2018

## REPORT ON STAFF BENEFITS: Staff costs analysis for the month (MFMA Section 66)

**Summary of Section 66 of the MFMA - Salaries and Wages (Staff Benefits)**

| DESCRIPTION | Annual Budget 2018/2019 | Actual 31-Dec-18 | YTD 31-Dec-18 | % Exp |
|---|---|---|---|---|
| **EMPLOYEE RELATED COST** | | | | |
| **SENIOR MANAGEMENT** | | | | |
| SM - SALARIES ALLOW AND SERV BENEFITS | | | | |
| MM - SALARIES ALLOW AND SERV BENEFITS | | | | |
| SM MM: SAL & ALL - BASIC SALARY | 852 139 | 149 689 | 291 708 | 34 |
| SM MM: SAL & ALL - PERFORM BASED BONUS | | | | |
| SM MM: ALLOW - CELLULAR & TELEPHONE | 36 000 | 6 000 | 12 000 | 33 |
| SM MM: ALLOW - HOUSING BENEFITS | | | | |
| SM MM: ALLOW - TRAVEL OR MOTOR VEHICLE | 518 978 | 91 059 | 177 555 | 34 |
| SM MM: SRB - LONG SERVICE | 620 681 | | | |
| **SUB TOTAL: MM - SAL ALLOW & SERV BENEF** | **2 027 798** | **246 747** | **481 263** | **24** |
| CFO - SALARIES ALLOW AND SERV BENEFITS | | | | |
| SM CFO: SAL & ALL - BASIC SALARY | 696 564 | 122 393 | 238 487 | 34 |
| SM CFO: SAL & ALL - PERFORM BASED BONUS | | | | |
| SM CFO: ALLOW - CELLULAR & TELEPHONE | 20 400 | 3 400 | 6 800 | 33 |
| SM CFO: ALLOW - HOUSING BENEFITS | | | | |
| SM CFO: ALLOW - TRAVEL OR MOTOR VEHICLE | 371 081 | 55 775 | 108 622 | 29 |
| **SUB TOTAL: CFO - SAL ALLOW & SERV BENEF** | **1 088 045** | **181 569** | **353 910** | **33** |
| D01 - SALARIES ALLOW AND SERV BENEFITS | | | | |
| SM D01: SAL & ALL - BASIC SALARY | 696 565 | 122 393 | 238 487 | 34 |
| SM D01: SAL & ALL - PERFORM BASED BONUS | | | | |
| SM D01: ALLOW - CELLULAR & TELEPHONE | 12 000 | 2 000 | 4 000 | 33 |
| SM D01: ALLOW - HOUSING BENEFITS | | | | |
| SM D01: ALLOW - TRAVEL OR MOTOR VEHICLE | 311 465 | 54 453 | 106 364 | 34 |
| SM D01: SRB - ENTERTAINMENT | 603 008 | 2 000 | 37 885 | 6 |
| SM D01: SRB - ACTING & POST RELATE ALLOW | | | | |
| **SUB TOTAL: DTS - SAL ALLOW & SERV BENEF** | **1 623 038** | **180 846** | **386 736** | **24** |
| DO2 - SALARIES ALLOW AND SERV BENEFITS | | | | |
| SM D02: SAL & ALL - BASIC SALARY | 52 600 | 122 393 | 238 487 | 453 |
| SM D02: SAL & ALL - PERFORM BASED BONUS | | | | |
| SM D02: ALLOW - CELLULAR & TELEPHONE | | 2 000 | 4 000 | |

| DESCRIPTION | Annual Budget 2018/2019 | Actual 31-Dec-18 | YTD 31-Dec-18 | % Exp |
|---|---|---|---|---|
| SM D02: ALLOW - HOUSING BENEFITS | | 20 546 | 39 986 | |
| SM D02: ALLOW - TRAVEL OR MOTOR VEHICLE | | 36 527 | 71 479 | |
| SM D02: ALLOW - ACCOM TRAVEL & INCIDENT. | | 4 762 | 4 762 | |
| SM D02: SRB - OVERTIME | | | | |
| SM D02: SRB - LONG SERVICE | | | | |
| SM D02: SRB - PAYMENTS IN LIEU OF LEAVE | | | | |
| SM D02: SRB - ENTERTAINMENT | | | | |
| SM D02: SRB - ACTING & POST RELATE ALLOW | | | | |
| **SUB TOTAL: DPS - SAL ALLOW & SERV BENEF** | **52 600** | **186 228** | **358 714** | **682** |
| DO3 - SALARIES ALLOW AND SERV BENEFITS | | | | |
| SM D03: SAL & ALL - BASIC SALARY | 696 565 | 122 393 | 238 487 | 34 |
| SM D03: SAL & ALL - PERFORM BASED BONUS | | | | |
| SM D03: ALLOW - CELLULAR & TELEPHONE | 12 000 | 2 000 | 4 000 | 33 |
| SM D03: ALLOW - HOUSING BENEFITS | 129 196 | 28 241 | 54 834 | 42 |
| SM D03: ALLOW - TRAVEL OR MOTOR VEHICLE | 212 695 | 46 078 | 90 279 | 42 |
| **SUB TOTAL: DCH - SAL ALLOW & SERV BENEF** | **1 050 456** | **198 712** | **387 600** | **37** |
| DO4 - SALARIES ALLOW AND SERV BENEFITS | | | | |
| SM D04: SAL & ALL - BASIC SALARY | 1 400 000 | | | |
| SM D04: SAL & ALL - PERFORM BASED BONUS | 117 000 | | | |
| SM D04: ALLOW - CELLULAR & TELEPHONE | 9 600 | | | |
| SM D04: ALLOW - HOUSING BENEFITS | 10 320 | | | |
| SM D04: ALLOW - TRAVEL OR MOTOR VEHICLE | 236 700 | | | |
| SUB TOTAL: DCS - SAL ALLOW & SERV BENEF | 1 773 620 | | | |
| **SUB TOTAL: SM - SAL ALLOW & SERV BENEF** | **7 615 557** | **994 102** | **1 968 223** | **26** |
| SM - SOCIAL CONTRIBUTIONS | | | | |
| MM - SOCIAL CONTRIBUTIONS | | | | |
| SM MM: SOC CONTR: MEDICAL | 50 618 | 8 436 | 16 873 | 33 |
| SM MM: SOC CONTR: PENSION FUNDS | | | | |
| SM MM: SOC CONTR: UIF | 1 785 | 297 | 595 | 33 |
| SM MM: SOC CONTR: BARGAINING COUNCIL | | | | |
| **SUB TOTAL: MM - SOCIAL CONTRIBUTIONS** | **52 403** | **8 734** | **17 468** | **33** |
| CFO - SOCIAL CONTRIBUTIONS | | | | |
| SM CFO: SOC CONTR: GROUP LIFE INSURANCE | | | | |
| SM CFO: SOC CONTR: MEDICAL | 42 681 | 7 114 | 14 227 | 33 |
| SM CFO: SOC CONTR: PENSION FUNDS | 104 484 | 18 359 | 35 773 | 34 |

| DESCRIPTION | Annual Budget 2018/2019 | Actual 31-Dec-18 | YTD 31-Dec-18 | % Exp |
|---|---|---|---|---|
| SM CFO: SOC CONTR: UIF | 1 785 | 297 | 595 | 33 |
| SM CFO: SOC CONTR: BARGAINING COUNCIL | | | | |
| **SUB TOTAL: CFO - SOCIAL CONTRIBUTIONS** | **148 950** | **25 770** | **50 595** | **34** |
| D01 - SOCIAL CONTRIBUTIONS | | | | |
| SM D01: SOC CONTR: GROUP LIFE INSURANCE | | | | |
| SM D01: SOC CONTR: MEDICAL | 50 618 | 8 436 | 16 873 | 33 |
| SM D01: SOC CONTR: PENSION FUNDS | 104 484 | 18 359 | 35 773 | 34 |
| SM D01: SOC CONTR: UIF | 1 785 | 297 | 595 | 33 |
| SM D01: SOC CONTR: BARGAINING COUNCIL | | | | |
| **SUB TOTAL: DTS - SOCIAL CONTRIBUTIONS** | **156 887** | **27 093** | **53 241** | **34** |
| D02 - SOCIAL CONTRIBUTIONS | | | | |
| SM D02: SOC CONTR: GROUP LIFE INSURANCE | | | | |
| SM D02: SOC CONTR: MEDICAL | | 5 816 | 11 633 | |
| SM D02: SOC CONTR: PENSION FUNDS | | **18 359** | **35 773** | |
| SM D02: SOC CONTR: UIF | | 297 | 595 | |
| SM D02: SOC CONTR: BARGAINING COUNCIL | | | | |
| **SUB TOTAL: DPS - SOCIAL CONTRIBUTIONS** | | **24 473** | **48 001** | |
| D03 - SOCIAL CONTRIBUTIONS | | | | |
| SM D03: SOC CONTR: GROUP LIFE INSURANCE | | | | |
| SM D03: SOC CONTR: MEDICAL | 27 715 | 6 929 | 13 858 | 50 |
| SM D03: SOC CONTR: PENSION FUNDS | | | | |
| SM D03: SOC CONTR: UIF | 1 785 | 297 | 595 | 33 |
| SM D03: SOC CONTR: BARGAINING COUNCIL | | | | |
| SUB TOTAL: DCH - SOCIAL CONTRIBUTIONS | 29 500 | 7 226 | 14 452 | 49 |
| **D04 - SOCIAL CONTRIBUTIONS** | | | | |
| SUB TOTAL: DCS - SOCIAL CONTRIBUTIONS | | | | |
| **SUB TOTAL: SM - SOCIAL CONTRIBUTIONS** | **387 740** | **93 296** | **183 757** | **47** |
| SM - POST RETIREMENT BENEFITS | | | | |
| SM: PRB - MED: CURRENT SERVICE COST | 2 707 187 | | | |
| SM: PRB - MED: INTEREST COST | 894 200 | | | |
| **SUB TOTAL : SM - POST RETIREMENT BENEFIT** | **3 601 387** | | | |
| SM: PST RET BEN OBL CST CAP PPE | | | | |
| SUB TOTAL : SM - COST CAPITALISED TO PPE | | | | |
| **SUB TOTAL : SENIOR MANAGEMENT** | **11 604 684** | **1 087 398** | **2 151 980** | **19** |
| | | | | |

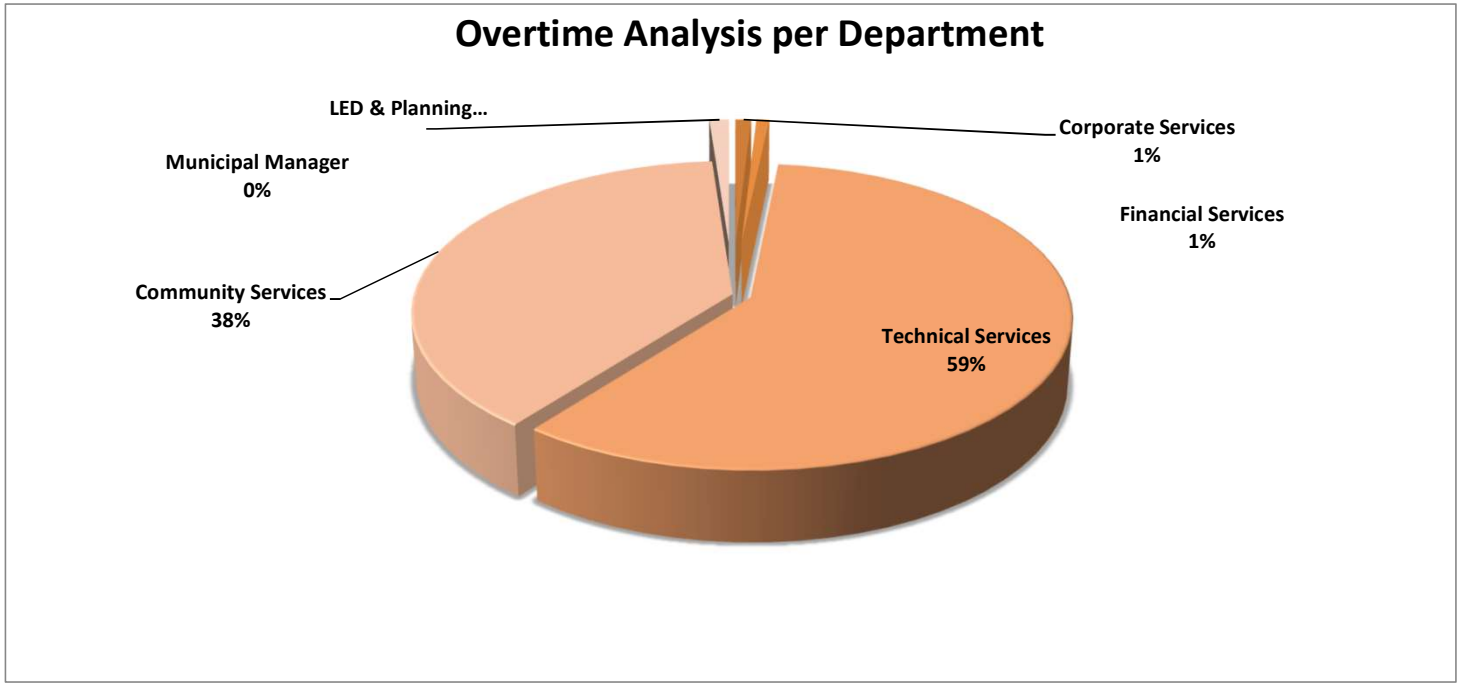
| DESCRIPTION | Annual Budget 2018/2019 | Actual 31-Dec-18 | YTD 31-Dec-18 | % Exp |
|---|---|---|---|---|
| **MUNICIPAL STAFF** | | | | |
| MS - SALARIES ALLOW AND SERV BENEFITS | | | | |
| MS: SAL & ALL: BASIC SALARY & WAGES | 151 360 854 | 27 012 637 | 93 497 014 | 62 |
| MS: SAL & ALL: PERFORMANCE BASED BONUSES | 15 426 185 | 3 270 524 | 10 412 080 | 67 |
| MS: ALL - CELLULAR & TELEPHONE | 718 535 | 3 729 349 | 11 834 009 | 1 000 |
| MS: HB & INC: HOUSING BENEFITS | 1 547 451 | 170 647 | 657 623 | 42 |
| MS: ALL - LEAVE PAY | | 93 760 | 263 939 | |
| MS: ALL - TRAVEL OR MOTOR VEHICLE | 13 738 790 | 2 151 433 | 7 845 547 | 57 |
| MS: OVERTIME - NON STRUCTURED | 18 930 126 | 31 286 | 56 700 | 0 |
| | | 86 182 | 86 182 | |
| MS: SRB - STANDBY ALLOWANCE | 2 371 254 | 438 438 | 1 350 994 | 57 |
| MS: IN-KIND BENEFITS | 2 347 517 | | | |
| MS: SRB - NON PENSIONABLE | 1 249 | | | |
| **SUB TOTAL : MS - SAL ALLOW & SERV BENEF** | **206 441 961** | **36 984 257** | **126 004 087** | **61** |
| | | | | |
| **MS - SOCIAL CONTRIBUTIONS** | | | | |
| MS: SOC CONTR - BARGAINING COUNCIL | 767 849 | 15 151 | 53 369 | 7 |
| MS: SOC CONTR - GROUP LIFE INSURANCE | 1 861 210 | 242 656 | 851 865 | 46 |
| MS: SOC CONTR - MEDICAL | 20 898 282 | 2 509 777 | 8 923 040 | 43 |
| MS: SOC CONTR - PENSION | 24 035 643 | 4 593 341 | 15 961 877 | 66 |
| MS: SOC CONTR - UNEMPLOYMENT INSUR FUND | 1 939 152 | 251 371 | 877 381 | 45 |
| SUB TOTAL : MS - SOCIAL CONTRIBUTIONS | 49 502 136 | 7 612 297 | 26 667 531 | 54 |
| MS: PRB - OTHER: LEAVE GRATUITY | | 148 081 | 162 605 | |
| **SUB TOTAL : MS - POST RETIREMENT BEN** | | **148 081** | **162 605** | |
| MS - COST CAPITALISED TO PPE | | | | |
| MS: IN-KIND BENEFITS CST CAP PPE | | 252 648 | 879 948 | |
| **SUB TOTAL : MS - COST CAPITALISED TO PPE** | | **252 648** | **879 948** | |
| **SUB TOTAL : MUNICIPAL STAFF** | **255 944 097** | **44 997 284** | **153 714 171** | **60** |
| **SUB TOTAL : EMPLOYEE RELATED COST** | **267 548 781** | **46 084 681** | **155 866 151** | **58** |

## Note:

*The Regulation No. 10178 on Municipal Standard Chart of Accounts (mSCOA) requires that all municipality comply with the requirements of mSCOA as Gazetted. This change in reporting has led to additional changes in the municipality's financial system, which ultimately affected the final reports output.*

| DESCRIPTION | Annual Budget 2018/2019 | Actual 31-Dec-18 | YTD 31-Dec-18 | % Exp |
|---|---|---|---|---|

## Analysis of overtime per department

| Description | 31-Oct-18 | | 30-Nov-18 | | 31-Dec-18 | |
|---|---|---|---|---|---|---|
| | Hours | Cost | Hours | Cost | Hours | Cost |
| Municipal Manager | - | - | - | - | - | - |
| Corporate Services | 87 | 12 809 | 101 | 14 924 | 130 | 15 643 |
| Financial Services | 39 | 7 899 | 24 | 1 793 | 33 | 12 797 |
| Technical Services | 7 464 | 936 560 | 5 582 | 695 348 | 8 435 | 1 003 348 |
| Community Services | 5 489 | 657 904 | 5 081 | 582 020 | 5 824 | 651 698 |
| LED & Planning | - | - | - | - | - | 19 621 |
| **Total** | **13 080** | **1 615 172** | **10 788** | **1 294 085** | **14 421** | **1 703 108** |

The overtime needs to be administered and only real emergencies be attended to after hours, on weekends and on holidays.
Each department needs to do proper planning to manage their own budget in order to avoid unnecessary expenditure,
thus ensuring that they stay within the budget for the year, to avoid overspending.